



BlueCrest Alaska Operating, LLC

3301 C Street, Suite 202
Anchorage, AK 99503

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OAW

NOV 07 2017

EPA Region 10
Office of the Regional Administrator

October 31, 2017

Ms. Michelle Pirzadeh
Acting Regional Administrator
U.S. Environmental Protection Agency
1200 Sixth Avenue
Seattle, WA 98101



Subject: 40 CFR 60 Subpart OOOOa Initial Annual Report
BlueCrest Alaska Operating, LLC – Cosmopolitan Project

Ms. Pirzadeh,

BlueCrest Alaska Operating, LLC (BlueCrest) is submitting this initial annual report in accordance with the requirements of 40 CFR 60.5420a(b) for the Cosmopolitan Project, which is located approximately six miles north of Anchor Point, Alaska.

In accordance with 40 CFR 60.5420a(b)(1)(i) and (ii), the initial annual report is being submitted for the following affected facilities:

Facility Site Name	US Well ID	Location Description	Latitude	Longitude	Affected Facility Identification
			(NAD83)		
Hansen 16	20-231-20051-00-00	Cosmopolitan Development	(b) (9)		Well Affected Facility Collection of Fugitive Emissions Components at a Well Site

The Hansen 16 well commenced construction on November 29, 2016 and the first date of production occurred on July 11, 2017. In accordance with 40 CFR 60.5410a, the initial compliance period begins on August 2, 2016, or upon initial startup, whichever is later. Therefore, this initial report is being submitted for activities occurring from November 29, 2016 through August 31, 2017.

The Cosmopolitan Development also includes a process unit affected facility. In accordance with 40 CFR 60.5420a(b)(11), the report for the process unit affected facility has been submitted via the Compliance and Emissions Data Reporting Interface (CEDRI) because the process unit affected facility report form has been available in CEDRI for at least 90 calendar days.

Please contact me at 907-754-9552 or lburgess@bluecrestenergy.com if you have any questions regarding this submittal.

"Based on information and belief formed by reasonable inquiry, I certify that the statements and information in the document are true, accurate, and complete."

Sincerely,

A handwritten signature in black ink that reads "Larry Burgess". The signature is written in a cursive, flowing style.

Larry Burgess
Alaska Manager
BlueCrest Alaska Operating, LLC

Attachments: Well Affected Facility Report
Collection of Fugitive Emissions Components at a Well Site Report

cc: Jacki Rose, BlueCrest (electronic)
Chelsea Normand, SLR (electronic)

Collection of Fugitive Emissions Components at a Well Site - 40 CFR 60 Subpart OOOOa
BlueCrest Cosmopolitan Project

Location: Cosmopolitan Project

Latitude (NAD83): (b) (9)

Longitude (NAD83): (b) (9)

Table 1. Monitoring Survey Details											
Survey						Technician	Monitoring Instrument			Deviations from Monitoring Plan	Comments
Date	Begin Time	End Time	Ambient Temp (°F)	Sky Conditions	Maximum Wind Speed (mph)	Name	Type	Make/Model	Serial Number		
8/24/2017	8:30:00 AM	9:45:00 AM	50	Rain	5	(b) (6)	Method 21	RKI Eagle 2	E2F965	None	Gas Metering
	12:45:00 PM	2:15:00 PM	51	Rain	10						Crude Oil and Off Spec Tanks
8/25/2017	8:20:00 AM	8:35:00 AM	50	Rain	5						Turbines
	8:35:00 AM	8:55:00 AM									Water Tanks
8/26/2017	8:55:00 AM	9:25:00 AM	50	Overcast	3						Produced Water
	12:20:00 PM	12:40:00 PM									Flare
	12:45:00 PM	12:55:00 PM									Closed Drain
	1:00:00 PM	1:35:00 PM									Tank VRU and Tank VRU (spare)
8/27/2017	2:35:00 PM	2:55:00 PM	53	Partly Cloudy/ Rainy	0						Combustor
	9:15:00 AM	9:50:00 AM									Well H16
8/28/2017	10:20:00 AM	10:25:00 AM	52	Mostly Cloudy	1						Well H1A
	9:25:00 AM	10:00:00 AM									Refrigeration
	10:05:00 AM	10:30:00 AM									Fuel Gas
	11:40:00 AM	12:00:00 PM									Oil Heat Exchangers
	12:00:00 PM	12:35:00 PM									Heater Treater
8/29/2017	12:35:00 PM	1:05:00 PM	58		4						Production Header & HP Separator
	7:20:00 AM	8:00:00 AM									LP Compressor
	8:00:00 AM	8:30:00 AM									Dehy
	8:30:00 AM	9:05:00 AM									Oil Sales
8/30/2017	10:25:00 AM	11:05:00 AM	50	Rain	25						Onshore Compressor
	8:25:00 AM	9:05:00 AM									Onshore Compressor (spare)
	9:05:00 AM	9:25:00 AM									LP Compressor (spare)

Table 2. Monitoring Survey Results								
Survey Date	Component	Fugitive Emissions Detected	Successful Repair Date(s)	Count	On Delay of Repair Explanation	Not Repaired as Required	Difficult/ Unsafe Components Monitored	
8/24/2017					No Leaks Detected			
8/25/2017	Flange	3	9/18/2017	-	-	-		-
			9/18/2017					
8/26/2017	Connector	1	9/23/2017	-	-	-		-
	Other	1	9/18/2017	-	-	-		-
	Valve	1	9/18/2017	-	-	-		-
8/27/2017					No Leaks Detected			
8/28/2017	Flange	1	9/23/2017	-	-	-		-
	Valve	3	-	3	Repair is Technically Infeasible Repair is Technically Infeasible Repair is Technically Infeasible	-		-
8/29/2017	Flange	2	9/23/2017 10/10/2017	1	Would require a well shut-in or shutdown	-		-
	Valve	1	9/25/2017	-	-	-		-
8/30/2017					No Leaks Detected			

Notes:

1. Data is provided for surveys fugitive emissions monitoring surveys conducted through August 31 2017.
2. Resurveys are performed using Method 21 using an RKI Eagle 2 (S/N: E2F965).

If it is technically infeasible to recover gas in any of the methods listed above, gas must be flared unless flaring can result in a fire hazard or explosion, or where high heat emissions can negatively impact tundra, permafrost, or waterways. Fill out the flaring table below. If it is technically infeasible to flare, enter the times and dates of operating under the exemption, and list the exemption. Note: Flare must be equipped with a continuous pilot flame at all times.

Table 7- Gas to Combustion Device (Flare)				
Begin Date/Time	End Date/Time	Claiming Exemption from Combustion (Flaring)? (Yes/No)	Exemption Claimed (Choose from dropdown)	Reason(s) that the Well Meets Claimed Exemption
		Yes		See comment below.

Duration of Flowback:	324.1 Hours
Duration of Recovery:	0.0 Hours
Duration of Combustion (Flaring):	0.0 Hours
Duration of Venting:	298.6 Hours

Comments:
Two flowbacks were conducted because the well was plugged. Due to the high nitrogen content of flowback gas and concurrent use of nitrogen during the flowback process, the use of a combustion device (flare) was not feasible. Nitrogen is an inert gas which does not burn. The nitrogen gas would put out the continuous pilot flame and create an oxygen deficient atmosphere at ground level. An oxygen deficient atmosphere at ground level has the potential to result in a health and safety hazard, including sudden death, for BlueCrest employees and contractors. BlueCrest evaluated all options to avoid venting and did not identify any technically feasible alternatives. BlueCrest chose to vent the gas from the separator so that the inert gas would disperse from a higher elevation, and therefore mitigate the safety hazard to employees and contractors consisting of an oxygen deficient atmosphere at ground level. In accordance with the Subpart OOOOa response to comments, EPA-HQ-OAR-2010-0505-6789, excerpt 11, "technical infeasibility... can include safety and engineering concerns". If safety is a reasonable consideration for reduced emission completions, safety should also be a reasonable consideration for combustion.



BlueCrest Alaska Operating, LLC

3301 C Street, Suite 202
Anchorage, AK 99503

RECEIVED ON:

October 3, 2017

Ms. Michelle Pirzadeh
Acting Regional Administrator
US EPA Region 10
1200 6th Avenue, Suite 900
Seattle, WA 98101

OCT 11 2017
AOC/CAW
EPA Region 10
Office of the Regional Administrator

Subject: 40 CFR 60 Subpart OOOOa Startup Notification
BlueCrest Alaska Operating, LLC – Cosmopolitan Project

Ms. Pirzadeh,

BlueCrest Alaska Operating, LLC (BlueCrest) is submitting this startup notification per the requirements of 40 CFR 60.5420a(a)(1) and 40 CFR 60.7(a)(3) for the Cosmopolitan Project, which is located approximately six miles north of Anchor Point, Alaska. A mechanical refrigeration unit and a stabilizer which produces natural gas liquids (NGL) at the Cosmopolitan Project were started up on May 11, 2017 and were stopped on June 18, 2017, and it is not yet known if they will be started up again.

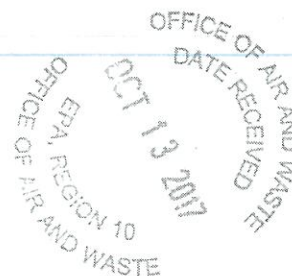
These units may trigger requirements for a natural gas processing plant under 40 CFR 60 Subpart OOOOa, which is still being investigated.

Please contact me at 907-754-9552 or lburgess@bluecrestenergy.com if you have any questions regarding this submittal.

Sincerely,

Larry Burgess
Alaska Manager
BlueCrest Alaska Operating, LLC

cc: Jacki Rose, BlueCrest
Jamie Brewer, SLR
Chelsea Normand, SLR





BlueCrest Alaska Operating, LLC

3301 C Street, Suite 202
Anchorage, AK 99503

RECEIVED ON:

March 13, 2017

Ms. Michelle Pirzadeh
Acting Regional Administrator
US EPA Region 10
1200 6th Avenue, Suite 900
Seattle, WA 98101

MAR 15 2017
EPA Region 10
Office of the Regional Administrator

Subject: 40 CFR 60 Subpart OOOOa Notification of Well Completion Operation
BlueCrest Alaska Operating, LLC – Cosmopolitan Project

Dear Ms. Pirzadeh,

BlueCrest Alaska Operating, LLC is submitting a well completion operation notification for a well affected facility under 40 CFR 60 Subpart OOOOa. In accordance with 40 CFR 60.5420a(a)(2)(i), this notification is provided at least two days prior to the anticipated commencement date of the well completion operation (hydraulic fracturing). The following table includes the required notification information under 40 CFR 60.5420a(a)(2)(i).

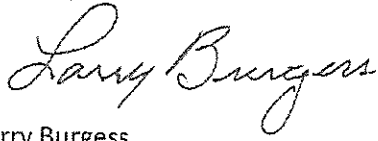
Owner or Operator Contact Information:	Larry Burgess, HSE Manager BlueCrest Alaska Operating, LLC 3301 C Street, Suite 202 Anchorage, AK 99503 907-754-9952 lburgess@bluecrestenergy.com
Well Name:	Hansen 16
United States Well Number:	50-231-20051-00-00
Latitude (NAD 83 to Five Decimals):	(b) (9)
Longitude (NAD 83 to Five Decimals):	(b) (9)
Anticipated Date of Hydraulic Fracture:	April 1, 2017
Anticipated Date of Beginning of Flowback:	April 24, 2017

Please note that anticipated dates for hydraulic fracturing and the beginning of flowback are provided are based on the current well completion schedule, and could vary due to operational factors including, but not limited to, weather, equipment, and work-related delays.

Please contact me at 907-754-9952 or lburgess@bluecrestenergy.com if you have any questions regarding this submittal.

OFFICE OF AIR AND WASTE
DATE RECEIVED
APR 10 2017
EPA REGION 10
OFFICE OF AIR AND WASTE
AK/Compl.

Sincerely,

A handwritten signature in cursive script that reads "Larry Burgess".

Larry Burgess
HSE Manager
BlueCrest Alaska Operating, LLC

cc: Compliance Technician, ADEC - Fairbanks
Jacki Rose, BlueCrest
Ann Mason, SLR
Jamie Brewer, SLR